

Fields of Green



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2023: A Rollercoaster Season of Drought, Hail, & Heat

This year, we went into the spring dry but with our irrigation we had high hopes for the crops if we could just get enough water to the corn and soybeans until rain came. Despite the dry conditions during planting the irrigated crops emerged and looked good during May and June. The dryland ones were well behind and shorter. Fortunately, rain did come around the 4th of July to end a long dry spell, but with that large hail also joined it to knock out any hopes of a record crop. Our soybean crops took the hail especially hard, and the corn lost its top end yield potential as well. Then in August heat arrived and took away some more yield during a critical grain fill period where the plants just could not stay cool to pack on the additional bushels. Even with the tough growing season that 2023 was we were still fortunate to be able to harvest our crops unlike some in the area who didn't have irrigation water or were hit by worse storms. Our irrigated fields in corn were 10-20 bushels below our 10-year averages and soybeans were also about 20-25 bushels below our 10-year averages. We were expecting yields to be 40-50 bushels better than they were for corn and 25-30 bushels per acre better on soybeans. Dryland acres were another story though as our corn produced anywhere from 10-130 bushels per acre and soybeans produced 5-20 bushels per acre on dryland. All in all, we will make it on to next year thanks to the crop insurance coverage we had in place that really helped us out this year. This is the first year that we have used our multi-peril crop insurance since I have been back farming (10 years). With the fall moisture we have gotten we are optimistic that 2024 will be a better year for our crops. Now we can only hope that input prices fall, and crop prices increase again to profitable levels.

Harvesting Knowledge: Insights from a Year of Agricultural Product Trials

When doing research on new products one never knows what might happen. Sometimes companies promise big results and they deliver on them and other times the product may not improve yields. We had some of both with our trial results this year. In testing we did on corn our Dust+Terrasym gave us a 3-bushel advantage over non treated acres. On the same hybrid of corn, we tested BioArmor in furrow and that treatment yielded the same as the untreated. On the soybean side we tested a BioArmor Soybean planter box treatment, and it actually caused a negative yield response of -3 bushels per acre on that field. On our inoculant trials that we ran on soybeans using inoculant gave a 4-bushel yield advantage on 2.8 maturity soybeans, 2-bushel yield advantage on 3.3 maturity. For our Pivot Bio trials we found that the nitrogen we cut back on applying synthetically was replaced by the Pivot Bio Proven 40 resulting in no yield loss, which is what we were targeting in that study.



As you can see, trying new products can pay off. Those successful products end up being used on larger acre blocks or they may never be used again if they fail, but we want to keep learning what works and what doesn't every year to keep improving both in yields and in our farming practices.

We have two studies we started this fall. One is using a biological product to break down corn stalk residue in the field to hopefully make planting conditions easier in the spring. The other involves dry fertilizer and a company called Crystal Green is asking us to apply their product to see if by using their product we can cut back on traditional use rates of dry fertilizer by using their more efficient product that is supposed to have better plant uptake and utilization. (If you would like me to dive deeper into these research studies, let me know and I'd happily provide more information.)

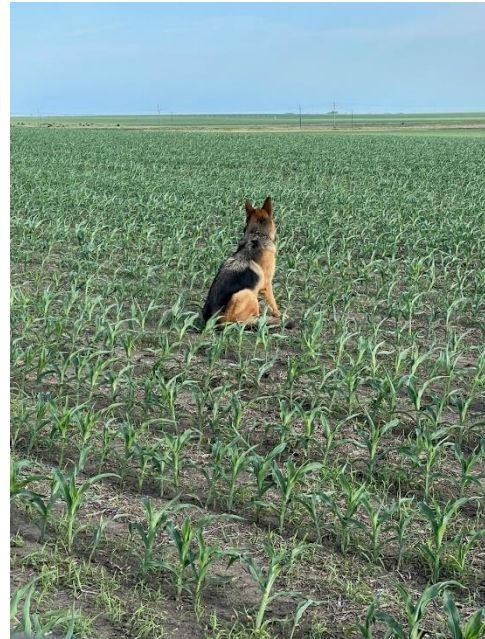
From Capitol Hill to Crop Fields: The Quandary of Legislative Delays and Regulatory Hurdles

Nothing moves slower these days than Congress in Washington D.C. With the division in D.C. nothing seems to get accomplished. A new Farm Bill was supposed to be introduced and passed by September 30, 2023, but they have since extended the 2018 Farm Bill until a new one can be written sometime in 2024 (hopefully). With that comes the uncertainty of what crop insurance programs will look like once a new bill is passed and which farm safety net programs will be changed or updated to help farmers in tough times. All I can tell you right now is that we will have to wait and see.

Other news that could be affecting our operation is the continued fight the EPA has been bringing to us trying to eliminate certain herbicides, pesticides, and other products they deem harmful to endangered species or the environment. While I'm not against protecting critical habitat these regulations are an overreach that could drastically impact the ways we farm and the tools we have available to preserve yields. Right now, one proposal would affect which chemistries could be used on cropland as far as 30 miles away from the habitat of an endangered species. This could harm a lot of farmers around the country if this was to take effect. Also, re-registration of pesticides has gotten tougher and new products coming to market continue to fight hurdles to be registered at the EPA. Our hope is that common sense can prevail, and we can continue to have access to the products we need to produce a healthy crop as well as not affect those critical areas.

Another thing to keep an eye on government related is the carbon pipelines that are being proposed and watching how they allow eminent domain to be used or not used to get those pipelines built to ethanol plants.

As for issues looming in the state of Nebraska it will be interesting to see if the legislature tries to do anything with property tax relief again this year. Last year they passed a large relief package, but the local school districts raised their levies enough to more than erase any savings the state gave us. I'm not sure how they will address that issue from the tax side or the school spending side, but it will be an issue to watch.



Farmer's Commodity Outlook: Navigating Price Volatility in Corn and Soybeans as 2024 Approaches

Commodity prices this last year have been all over the board. Corn prices started out the year around the \$6.00 level then declined through spring until drought started to scare the market in

June and July. The markets made had some spike highs in those months but then gradually declined the rest of the year. Right now, corn is sitting in the upper \$4.00 range. Soybeans had similar price action to start the year starting out around \$13.50 and then declining until the drought scare started in June. The prices then rose back to the \$13-\$14 level and have since been seesawing between \$12.50 and \$14.00.

Going forward it looks as if the soybean market is the one that will have the most strength going into 2024. The carryout for beans is tighter than corn and demand for soybean meal and oil is on the rise, especially with coming online in 2024. There is the potential to increase the soybean crush capacity in the US by 30% which would help stabilize our soybean market. However, a large crop in Brazil and Argentina could put a lid on any demand and international buyers will shut off our export markets in February and March switching their purchases to South America if they have a good crop.

Corn markets on the other hand paint a more dismal picture as the large US crop has increased the ending stocks and carryout to levels that show prices could continue to slide. If South America doesn't have any crop issues and if the US plants a large number of acres again in 2024, we could have a glut of corn to try and work through in the US and that could hurt our 2024 price prospects. The demand for corn hasn't been as strong as soybeans as there aren't any new end users coming online and there is plenty of cheaper corn available. One thing corn does have going for it is the ethanol plants are making good margins right now and they are bidding up to get all of the bushels they can. With the higher value of the dollar that is hurting our export opportunities. We hope that prices will rise for both crops going into 2024 so that we have the chance to lock in bushels at profitable levels next year but only time will tell on that. Luckily, fertilizer prices have subsided a bit but other costs like seed and machinery continue to climb. 2024 will be a year of trying to outproduce past years or cutting costs to make grain farming profitable.

Market Update 12-8-23

Corn: Shickley Grain		
	December Delivery	\$4.50
Soybeans: Shickley	December Delivery	\$12.29
Grain		
Soybeans: Cargill		
Carleton	Dec. 2023 Delivery	\$12.64
	Harvest 2024 Delivery	\$12.10
Corn: Poet Fairmont	Dec. 2023 Delivery	\$4.86
	Harvest 2024 Delivery	\$4.93